

## Checklist for State Agency ETCs

Refer to January 1997 *Use of Public Funds for State Agency CTR Programs Guidelines*.

- ◇ Allowable expenditures for CTR programs are set forth in RCW 70.94.531(2)(d) and RCW 43.01.230. Any additional items must be of the same kind, nature or class as those listed. (Page 1,2; and Attachment A)
- ◇ Agencies/worksites need to check with their own Attorney General and/or Auditor if there are questions regarding the use of public funds for CTR subsidies/incentives. If the advice received is contrary to the Informal Opinion or these guidelines, contact Assistant Attorney General Mary Ellen Combo at (360) 753-0864; Assistant Attorney General Mary Jo Diaz at (360) 753-7815; or Joan Cullen, State Agency CTR Program Manager at (360) 902-7318.
- ◇ Funding Sources for State Agency CTR Programs: (Page 1)
  - ⇒ *State Agency Parking Account* (RCW 43.01.240): Agencies are authorized to establish parking fees or increase parking fees where already imposed. Funds may be used to support CTR programs, parking programs, and parking facilities.  
  
Parking fees, *once collected by a state agency*, are public funds and are subject to the same restrictions as other public funds, and may only be used for statutory purposes. (Page 2, number 1)
  - ⇒ *Agency-Identified Internal Funds*: Agencies are allowed to use other public funds for statutory designated CTR incentives.
  - ⇒ *State Vehicle Parking Account* (RCW 43.01.225): Revenues collected from rental of parking spaces at state-owned or leased properties (mainly those collected on the Capitol Campus).
- ◇ What type of promotional items are allowable? (Page 2, number 2; page 5, number 9)  
Must answer “yes” to number 1; **AND** to *either* 2 or 3
  1. Is the item of *minimal* value? Answer must be “yes”; AND,
  2. Does the item *promote or advertise* the agency/worksite’s CTR program? **OR**
  3. Is it *directly* connected to an alternate commute mode?
- ◇ What types of items can be purchased using public funds?
  1. Subsidies for public transportation (transit, ferry, vanpool)
  2. Incentives for carpooling, walking, bicycling, telecommuting
  3. Promotional items of minimal value
  4. Vouchers and gift certificates directly connected to alternate commute modes

- ◇ Can agencies have drawings for prizes at CTR events? (page 5, number 8)
  1. Yes, if of minimal value (i.e.: a pencil to fill out the CTR survey or to attend a CTR presentation). May be a promotional item given to all employees.
  2. Employees must meet some established criteria (i.e.: level of participation in a specific campaign or a level of attendance at a promotional event).
  3. Prizes must directly promote the program and/or be a type of item that can be utilized in alternative commute modes, and be of minimal value.
  
- ◇ When are subsidy/incentive items taxable to the employee? (page 3, number 3)
 

**Nontaxable:**

  1. Up to \$65/month/employee for public transportation (bus, ferry, vanpool) subsidies. (IRS Rules)
  2. De minimus fringe benefits: “any property or service whose value is so small that accounting for it is unreasonable or administratively impracticable.” Items of *minimal* value that are provided as promotional tools for CTR programs would fall under this exclusion.

**Taxable:**

  1. Subsidies/incentives for carpoolers, walkers, bicyclists, telecommuters when given on a regular basis (i.e. monthly)
  2. Gift certificates that do not meet the de minimus fringe benefit qualifications. (Note: OFM Manual, Section 4.3.2.3.4 states: “all cash or cash equivalent awards are taxable.” Gift certificates are considered cash equivalent awards.)
  
- ◇ Why must gift certificates be directly connected to an alternate commute mode?
 

Gifts of public funds *without statutory authority*, are specifically prohibited by the State Constitution. For example, gift certificates for lattes or for a dinner out as an incentive for using an alternate commute mode or to participate in a CTR event are not listed in any statute; therefore no statutory authority exists to allow this type of incentive. (Page 4, number 5)
  
- ◇ Can refreshments at promotional events be provided using CTR-identified funds?
 

Refreshments at promotional events cannot be purchased with CTR identified funds. Refreshments can, however, be purchased with *other agency funds*. Under OFM regulations, coffee and light refreshments can be purchased if the refreshments are an integral part of the function. (Page 6, numbers 11, 12, 13)

From *Use of Public Funds in State Agency CTR Program Guidelines*; adopted by the Interagency Task Force for Commute Trip Reduction, January 15, 1997. Guidelines from Attorney General Informal Opinion, August 21, 1996.